

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Assessment and Collection of Regulatory	)	MB Docket No. 07-81
Fees for Fiscal Year 2007	)	
	)	
To: The Commission	)	



**REPLY COMMENTS**

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## I. Introduction and Summary.

The American Cable Association (“ACA”) submits these Reply Comments to recommend that the regulatory fee process accommodate the unique needs of smaller cable companies. For many smaller cable companies, keeping pace with the deadlines for the many filings and fees imposed under the Commission’s regulations results in substantial administrative burdens and costs. Accordingly, ACA proposes that the Commission continue sending fee assessment letters via surface mail to cable operators that serve fewer than 5,000 subscribers and supports the following Commission proposals:<sup>1</sup>

- To continue sending email notice of regulatory fee payments;
- To expand the Commission’s Section 9 regulatory fee pre-billing initiative to include earth stations and CARS facilities;<sup>2</sup> and
- To continue to allow cable operators to base regulatory fee payments on the aggregate year-end subscriber counts.<sup>3</sup>

**The American Cable Association.** ACA represents nearly 1,100 independent cable businesses serving nearly 8 million cable subscribers primarily in smaller markets and rural areas. ACA member systems are located in all 50 states, and in virtually every congressional district. ACA members range from family-run cable businesses serving a single town to multiple system operators that focus on smaller systems and smaller markets. About half of ACA’s members serve less than 1,000 subscribers.

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<sup>1</sup> *In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2007*, Notice of Proposed Rulemaking, MD Docket No. 07-81, ¶ 29 (rel. Apr. 18, 2007) (“NPRM”).

<sup>2</sup> *Id.*, ¶ 19.

<sup>3</sup> *Id.*, ¶ 28.

For many of ACA's members, keeping up with the numerous filings and fees imposed under the Commission's regulations results in substantial administrative burdens and costs. By adopting the above proposals, the Commission can ease some of the administrative burdens on smaller cable operators.

**II. The Commission should continue sending fee assessment letters via surface mail to cable operators that serve fewer than 5,000 subscribers, in addition to email notice of regulatory fee payments.**

In the *NPRM*, the Commission seeks comment on proposals to continue sending email notifications of regulatory fee payments, and to discontinue the practice of sending fee assessment letters via surface mail.<sup>4</sup>

Many ACA members rely on email notice of regulatory fees. The Commission should continue this efficient method of notification.

At the same time, many of the smallest cable operators rely exclusively on the U.S. postal service for their day-to-day operations. The Commission has previously recognized that some small cable operators serving rural areas may not have access to computers with the hardware or capability to utilize the software necessary to submit certain FCC applications electronically.<sup>5</sup> Accordingly, the Commission should continue to send fee assessment letters via surface mail to cable operators whose prior year regulatory fees payments show fewer than 5,000 subscribers.<sup>6</sup> This will ensure that very small operators

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<sup>4</sup> *Id.*, ¶ 29.

<sup>5</sup> *In the Matter of Section 257 Triennial Report to Congress; Identifying and Eliminating Market Entry Barriers for Entrepreneurs and Other Small Businesses*, 19 FCC Rcd. 3034, ¶ 127 (2004).

<sup>6</sup> Congress and the Commission have consistently expressed special concern for the ability of smaller cable companies to bear the costs and burdens of administrative obligations. The Commission's regulations recognize this public interest through inclusion of specific small cable provisions in the provisions governing network nonduplication, syndicated exclusivity, sports

will continue to remit regulatory fee payments on time. At the same time, this relief will not result in significant costs for the Commission.

**III. ACA supports the Commission's proposal to expand its Section 9 regulatory fee pre-billing initiative to include earth stations and CARS facilities.**

Keeping pace with the deadlines for Commission filings and fees is difficult and burdensome for many smaller operators. The Commission's pre-billing initiative efficiently provides notice to smaller operators of upcoming regulatory deadlines. By expanding the pre-billing initiative to include earth stations and CARS facilities, the Commission can promote timely filings and payment, and further reduce administrative burdens and costs for smaller cable operators.

**IV. The Commission should continue to allow cable operators to base regulatory fee payments on aggregate year-end subscriber counts.**

As the Commission acknowledges, permitting cable operators to base regulatory fee payments on aggregate year-end subscriber counts has eased administrative burdens for the cable television industry.<sup>7</sup> This is the most manageable method for smaller cable operators to calculate regulatory fees, and there is no compelling evidence in the record supporting a different method. The Commission should retain this simple and intuitive system for calculating regulatory fees.

**V. Conclusion.**

The Commission has consistently recognized the important public interest of maintaining viable smaller cable companies, and the need to provide regulatory

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blackouts, proof of performance tests, EAS test record retention, EAS handbook maintenance, and public inspection files.

<sup>7</sup> *NPRM*, ¶ 28.

assistance to further this public interest. To help realize this goal, ACA urges the Commission to continue sending fee assessment letters via surface mail to cable operators that serve fewer than 5,000 subscribers, in addition to sending e-mail notifications. ACA also supports the Commission's proposals to expand its pre-billing initiative to include earth stations and CARS facilities, and to base regulatory fees on cable operators' aggregate year-end subscriber counts.

Respectfully submitted,

**AMERICAN CABLE ASSOCIATION**

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